



REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 16 June some neutral external background formed on the Russian market. On Thursday the US indices DJIA and S&P500 decreased by 0.1-0.2% – resumption of sales of shares of high-tech companies was levelled by good statistics. In June, the index of business activity of the Federal Reserve Bank of New York rose to a maximum in more than two years, data on the index of business activity of the Federal Reserve Bank of Philadelphia and applications for unemployment benefits were better than expected. On Friday the main country stock indices of the Asia-Pacific region mostly traded in a small plus. The markets in the Asian session were supported by the preservation by the Bank of Japan of the ultra-soft monetary policy, including the target yield of 10-year government bonds at around zero level and the purchase of assets of about ¥80 trillion (\$720 billion) per year. August Brent futures traded near the mark of \$47.1 per barrel, \$0.2 higher than the closing level on 15 June. Oil prices continue to consolidate at the lows of seven months ago. As noted in MarketWatch, the market closes with a significant decline for the fourth week in a row, which is the longest period of falling prices since August 2015, on the investors' remaining doubts about the possibility of a rapid reduction in global oil reserves. The increase in oil production in the US poses a threat to the efforts of the OPEC+ countries, undertaken to reduce world oil reserves – the limitation of oil production since January this year has not brought the desired result.

Most of the day the MICEX Index was in a half-percent plus, recovering from Thursday's sell-off. The decision of the Bank of Russia to reduce the key interest rate by 0.25 percentage points, to 9% per annum, was expected by the market, and had little impact on the changes of the stock indices and the ruble. At the same time, the Russian market was supported by both an improvement in sentiment in Europe, where Greece, having agreed with creditors to receive another €8.5 billion, again avoided defaulting, and information about European countries' dissatisfaction with new US sanctions against the Russian Federation. In particular, the representative of the Chancellor of the Federal Republic of Germany said that A. Merkel considers new restrictive measures against Russia unreasonable. In his turn, the EU official said that it is important in the European Union that the United States coordinate possible new sanctions against Russia with international partners. According to analysts, such a reaction of Europe makes, at least, ambiguous prospects of maintaining the unchanged form of the draft law on sanctions against Russia, approved by the US Senate. At the end of the day the MICEX Index slightly reduced the growth rate after a moderately negative start of trading in the US, provoked by its own weak statistics – the consumer confidence index in June fell to a minimum since November, the number of new buildings in May – to a minimum since September last year.

During the day the MicexPWR Sector Index looked somewhat worse than the market. The final zero-point changes of the sector indicator were due to the multidirectional trends of the main index securities: the growth of shares of Rosseti, FGC UES and RusHydro was compensated by the fall in shares of Inter RAO and Mosenergo.

ELECTRIC POWER INDUSTRY NEWS

Mr. Oreshkin offers a new approach to collecting dividends

Read full text: <https://www.vedomosti.ru/economics/articles/2017/06/19/694880-oreshkin-dividendov>

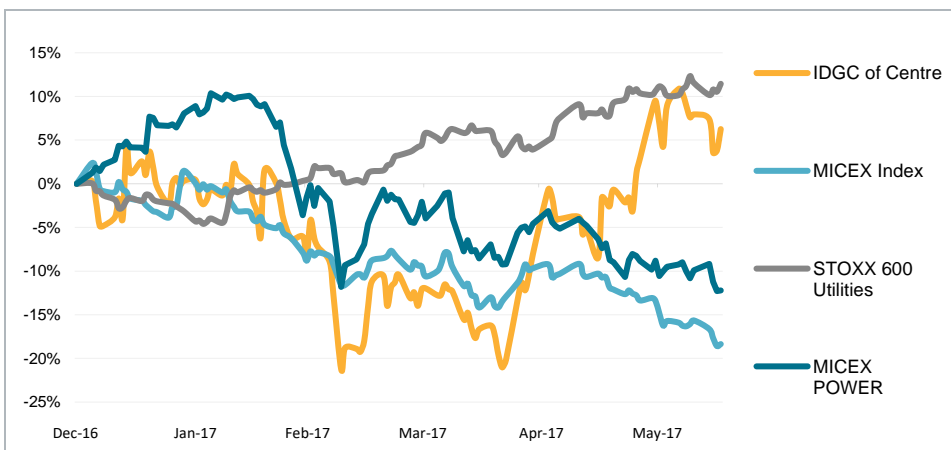
COMPANY NEWS

In 2017, Tverenergo to overhaul 27 substations of 35-110 kV

IDGC of Centre – Tverenergo division starts comprehensive overhaul of 35-110 kV substations. In accordance with the annual plan-schedule for repair of feeding centres, in May, the work will begin at seven substations out of the 27 planned ones.

Read full text: <http://energo-news.ru/archives/141605>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.16
MICEX	1 822,91	0,28%	-18,35%
S&P 500	2 433,15	0,03%	8,68%
FTSE 100	7 463,54	0,60%	4,49%
DAX	12 752,73	0,48%	11,08%
DJStoxx 600	388,60	0,66%	7,52%
STOXX Utilities	308,45	0,81%	11,45%
Nikkei	19 943,26	0,56%	4,34%
Sensex	31 056,40	-0,06%	16,64%
CSI300	3 518,76	-0,28%	6,30%
Bovespa	61 626,41	-0,48%	2,32%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.16
Euro/USD	1,12	0,45%	6,48%
USD/RUB	57,44	0,72%	-5,30%
Euro/RUB	64,28	0,52%	0,73%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.16
Gold, USD/oz	1 253,73	-0,02%	9,26%
Brent*, USD/bbl	47,37	0,96%	-19,47%

* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4750
Capitalisation**, billion RUB	20,05
Capitalisation**, million USD	349,10

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.16
MICEX-Power Index	0,09%	-12,21%
Shares of IDGC of Centre**	2,37%	6,26%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.16
Rosseti, ordinary shares	3,24%	-34,61%
FGC UES	0,78%	-23,23%
IDGC of Volga	2,12%	24,82%
MOESK	-1,44%	-8,57%
IDGC of Northern Caucasus	-0,99%	-31,75%
IDGC of Centre and Volga Reg	0,06%	16,89%
IDGC of North-West	-0,77%	-29,27%
IDGC of Urals	3,09%	-8,81%
IDGC of Siberia	2,68%	-26,64%
IDGC of South	-1,45%	-34,92%
Lenenergo, ordinary shares	1,14%	-19,44%
TRK, ordinary shares	0,00%	-16,39%
Kubanenergo	-2,58%	-13,33%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC:RM

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